

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1040 - SB 1258

March 25, 2011

SUMMARY OF BILL: Establishes regulations for pain management clinics and requires such clinics to apply for certification with either the Board of Medical Examiners or the Board of Osteopathic Examination, depending on what type of physician operates the practice. Defines a "pain management clinic" as a privately owned physician practice, medical office, or investor-owned clinic in which a physician provides pain management services to a majority of the patients through prescription of opioids, benzodiazepines, barbiturates, or carisoprodol and the physician treats the patients for more than 90 days in a 12-month period. Authorizes the Boards to grant and deny certifications, inspect and investigate the clinics, discipline clinics, and promulgate rules. Certifications will remain effective for two years from the date of issuance and the Boards are authorized to grant a 90-day grace period to renew the certificate. Requires pain management clinics, except for investor-owned clinics, to be majority owned by a physician or co-owned with other physicians. Requires each clinic to have a medical director who is a licensed physician or osteopathic physician and who is responsible for all of the requirements relative to the certification of the clinic. Requires medical directors to be physically present at the clinics at least 33 percent of the clinics' total number of operating hours. Exempts from the certification requirements any pain clinics operated by an advanced practice nurse or physician assistant.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The Board of Medical Examiners and the Board of Osteopathic Examination will promulgate rules for the regulation of pain management clinics, develop forms, amend the already-existing regulatory boards' computer system to include the new category of licensure to track initial licensure, renewals, and disciplinary actions. The Boards will also need to post the medical director requirement on their respective websites.
- Rulemaking can be accomplished during regularly scheduled Board meetings and all other requirements can be accommodated within existing resources of the Boards.
- A notice will be provided to all Tennessee physicians of the need to be certified if their medical practice meets the definition of a pain management clinic. The notice will be provided on the respective Boards' websites and in their newsletters using existing resources.

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- Any inspections of the pain management clinics necessary to ensure compliance with the provisions of this section can be conducted utilizing existing resources of the Office of Investigations.
- The Boards will establish fees for the initial certification and biennial renewal. Any fees collected will be sufficient enough to cover the administrative and regulatory costs of the certification program resulting in a not significant net impact.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all health-related boards are required to be self-supporting over a two-year period. As of June 30, 2010, the Board of Medical Examiners had a balance of \$890,444.43 and the Board of Osteopathic Examination had a balance of \$95,105.43.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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